



EERMC Resolution on Priorities for the Development, Implementation, and Evaluation of the 2020 Energy Efficiency and System Reliability 2020 Annual Plans -- DRAFT

February 21, 2019

Introduction

Since its establishment in 2006 under amendments to the Rhode Island Energy Resources Act (R.I.G.L. § 42-140.1), referred to as RI's Least Cost Procurement law, the Rhode Energy Efficiency & Resource Management Council (EERMC) has had a legislated responsibility to support the development and successful implementation of triennial and annual plans designed to successfully meet the objectives of least cost procurement of energy resources.

The Council provides this list of Priorities to support the development of 2020 plans by National Grid, with input from the Technical Working Group (formerly the Collaborative) and other key stakeholders, that will continue to provide significant value and benefits to all Rhode Island natural gas and electric rate-payers.

Basis for, and Previous Priorities

Historical EERMC priorities have focused on the primary roles and responsibilities of the Council directed by the Least Cost Procurement (LCP) law. The four Council responsibilities are:

- (1) Evaluate and make recommendations, including, but not limited to, plans and programs, with regard to the optimization of energy efficiency, energy conservation, energy resource development; and the development of a plan for least-cost procurement for Rhode Island; and
- (2) Provide consistent, comprehensive, informed and publicly accountable stakeholder involvement in energy efficiency, energy conservation, and energy resource management; and
- (3) Monitor and evaluate the effectiveness of programs to achieve energy efficiency, energy conservation, and diversification of energy resources; and
- (4) Promote public understanding of energy issues and of ways in which energy efficiency, energy conservation, and energy resource diversification and management can be effectuated.

Prior to this year, many priorities were developed and proposed to the Council by National Grid and the Collaborative. These priorities were then discussed and approved by the Council through their inclusion in the drafts and final plans. All priorities embedded in previous Plans generally conformed to the four items above. For reference, the 2019 annual plans and the triennial plan covering 2018 – 2020, had Priorities grouped under the following four objectives:

1. ***“Customers** - Deliver comprehensive services encompassing all market segments and customers. Such services will enable customers to control their energy use, reduce*



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

their bills, and help support their financial well-being.”

2. **“Least Cost** - Deliver energy efficiency services as cost-effectively as possible through optimizing finance and promoting upstream initiatives. Continuing to deliver cost-effective energy savings under Least Cost Procurement will create cost savings to all customers, while creating economic benefits that create and maintain local jobs and businesses.”

3. **“Environment** - Provide solutions that maximize greenhouse gas emission reductions and contribute to Rhode Island’s clean energy policy goals, including the Resilient Rhode Island Act.”

4. **“Future** – Innovate to capture savings from new technologies and strategies to position energy efficiency programs for the future, including the integration of energy efficiency with demand response, renewable energy, and smart grid technologies. This includes incorporating outcomes from the Rhode Island Power Sector Transformation Initiative and Docket 4600.”

To better support planning and create clearer expectations of what should be included in the drafts and final version of the 2020 plans, the EERMC is commencing this year with the development of Priorities voted on ahead of the planning process. While the four overarching objectives detailed above should still inform the Plans at a high-level, the EERMC provides the following more detailed set of priorities for consideration in the development of the 2020 Plans:

2020 Priorities

To support the development of the 2020 Energy Efficiency and System Reliability plans, the EERMC is providing the following set of priorities consistent with the EERMC legislated roles and responsibilities and with the four objectives built into the current triennial plan:

1. ***Overarching objectives*** *All members*
 - a. The 2020 Plans should actively seek to procure all achievable cost-effective savings per the RI Test. While the 2018-2020 targets established in the three-year plan provide initial estimates of savings potential, the parties engaged in 2020 planning should seek to maximize innovation, program enhancements and broad participation across all sectors to set 2020 savings goals that meet the LCP mandate of achieving all prudent and reliable energy savings less than the cost of supply.
 - b. In addition to seeking all cost-effective savings, efforts should be focused on acquiring these savings as cost-efficiently as possible. All efforts should be made to properly set implementation budgets, rebate & incentive levels, and utility performance incentives. Creative financing mechanisms and other methods to support program participation funding should also be pursued, in order to minimize ratepayer costs.
 - c. Provide opportunities for consistent, comprehensive, informed and publicly accountable stakeholder involvement in energy efficiency and system reliability planning.



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

- d. The development and delivery of programs should support and compliment state policy and regulatory objectives, especially greenhouse gas emission reductions and economic issues such as fuel-switching to electric heat and job creation.
 - e. Proactively plan for a future when claimable lighting savings are substantially less and/or limited.
 - f. *Other possibilities: building labeling; renewable energy coordination; financing; etc.*
2. *Cross-Sector Recommendations*
- a. *Active Demand Management* - Include goals specific to active demand management and integrate the delivery of active demand management offerings within the EE programs in 2020.
 - b. *Codes and standards* – Actively support the adoption of codes and standards that increase energy efficiency in new buildings, in the replacing and renovating of homes and businesses, and in installed equipment and materials.
 - c. *Job development and training* – Support current and future program implementation workforce needs through training and education support, with a focus on supporting RI-based businesses.
3. *Commercial & Industrial Sector Recommendations*
- a. Overall portfolio objectives
 - i. Maximize equitable participation across C&I rate classes, market segments and geographical locations.
 - ii. Other?
 - b. Large Commercial New Construction
 - i. The program should seek opportunities and ensure adequate resources are dedicated to driving continuous program improvements and effective feedback loops within the new construction and major renovation programs so that a higher percentage of buildings are served and low-energy use/low-GHG buildings are measured, recognized, promoted, and emulated in the market.
 - ii. Other?
 - c. Large Commercial Retrofit
 - i. While still available, the program should maximize C&I lighting savings by emphasizing the linear lighting market and incentivizing active demand management-enabled controls, and should increase the percent of lighting opportunities used as lead generation for non-lighting projects.
 - ii. ?
 - d. Small Business
 - i. Expanding outreach strategies and ensure adequate resources are committed to target and engage a wider range of small business customers and owners of buildings occupied by small businesses
 - ii. ?



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

4. *Residential Sector Recommendations*

a. *Overall portfolio objectives*

- i. Increase participation by, and savings from, hard-to-reach and underserved populations and geographies, including low-to-moderate income customers and renters.
- ii. Enhance connections between HVAC, weatherization, and other whole-house offerings, enabling customers to engage in more holistic improvements during a single transaction or over time
- iii. Other?

b. *EnergyWise single and multifamily Program -*

- i. Work to assure broad program participation, demographically and geographically, to maximize equitable participation across the state (and/or language putting more emphasis on renters and/or moderate-income residents.)
- ii. Steps toward anticipated need for a major program redesign due to anticipated impacts of the rapidly transforming lighting market should be mapped out, and initial steps integrated into 2020 implementation plans.
- iii. Other?

c. *Energy Star Lighting and Consumer Products –*

- i. Closely analyze potential claimable savings from lighting, lighting controls and consumer products given the rapid market transformation and evolving appliance standards affecting these products.
- ii. Other?

d. *EnergyStar HVAC –*

- i. Support the development and scalability of efficient electric heating options
- ii. Emphasize an integrated, systems-based approach to HVAC equipment promotion and installation, particularly for heat pumps, condensing boilers and new active demand management through controls

e. *New Construction*

- i. Expand the volume of homes reaching and approaching Zero Net Energy
- ii. Other?

f. *Home Energy Reports*

- i. Seek to explore best practices to support alternative behavioral change program options in addition to, or as a replacement for, current program models to maximize sustained savings from this program.
- ii. Other?

5. *Income Eligible Sector Recommendations*

- a. Maximize participation numbers for all income eligible residents by clarifying qualification criteria and methods, making process improvements based on evaluation recommendations, and promoting of awareness of program benefits



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

b. Other?

6. Tracking, reporting and Evaluation, Measurement & Verification (EM&V)

- a. Support the timely and effective completion of EM&V studies relating to the portfolio to support accurate estimates of energy savings and non-energy benefits, and the identification of needed program process improvements.
- b. Create a framework to increase the presence and use of market-driven data acquisition including software, granular energy usage measurement, and monitoring based commissioning services, including adjustments to the M&V framework to facilitate this activity.
- c. Modernize data management across all sectors, enhance accessibility to and usefulness of the data to the public and key stakeholders.

7. System Reliability Procurement

- a. Continue coordination with Power Sector Transformation (PST) Non-wire Alternative process and objectives.
- b. Sustain progress on Non-Wire Alternative (NWA) Request for Proposals, and identify other opportunities for solutions.
- c. Ensure load forecasts incorporate electrification considerations going forward.
- d. Ensure all relevant National Grid teams such as Planning, EV-focused members of the PST team, and the Energy Efficiency teams are actively coordinating and communicating.
- e. Continue evaluation of and enhancements to the data portal. Also ensure continued outreach about the existence of the data portal to relevant stakeholders.